

## Senate Bill No. 676

### CHAPTER 525

An act to add Section 14105.16 to the Welfare and Institutions Code, relating to Medi-Cal.

[Approved by Governor September 28, 2006. Filed with  
Secretary of State September 28, 2006.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 676, Ashburn. Medi-Cal: pharmacy reimbursement.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Services, pursuant to which medical benefits, including prescription drugs, are provided to public assistance recipients and certain other low-income persons.

This bill would authorize the department to establish per diem or bundled reimbursement rates for pharmacies that provide home infusion supplies and services for eligible pharmacies.

*The people of the State of California do enact as follows:*

SECTION 1. Section 14105.16 is added to the Welfare and Institutions Code, to read:

14105.16. (a) The department may establish per diem or bundled reimbursement rates for pharmacies that provide home infusion supplies and services. The per diem or bundled reimbursement rate shall be budget neutral. Only pharmacies that comply with Sections 4127 and 4127.1 of the Business and Professions Code may be determined to be eligible for reimbursement rates established under this subdivision.

(b) In implementing this section the department shall consult with pharmacies providing home infusion supplies and services with respect to all of the following:

- (1) Notifying the provider representatives of the proposed change.
- (2) Scheduling at least one meeting to discuss the change.
- (3) Obtaining actual costs from providers regarding supplies, services, and administrative costs.
- (4) Allowing for written input regarding the change.
- (5) Providing 30-day advance notice to providers on the implementation and effective date of the change.

(c) Changes made in the Medi-Cal program pursuant to this section are exempt from the requirements of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340), Chapter 4 (commencing with Section 11370), and Chapter 5 (commencing with Section 11500), of

Part 1 of Division 3 of Title 2 of the Government Code), and shall not be subject to the review and approval of the Office of Administrative Law.